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Attorneys for Valero Refining Company-California

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UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

In re:

PG&E CORPORATION,

-and-

PACIFIC GAS & ELECTRIC COMPANY,

Debtors.

Affects PG& Corporation
 Affects Pacific Gas and Electric Company
 Affects both Debtors

* *All papers shall be filed in the Lead Case,
No. 19-30088 (DM).*

Case No.: 19-30088-DM

Chapter 11

**DECLARATION OF JOHN COX AND
REQUEST FOR JUDICIAL NOTICE IN
SUPPORT OF MOTION FOR RELIEF
FROM STAY BY VALERO REFINING
COMPANY-CALIFORNIA**

Date: February 26, 2019

Time: 9:30 a.m.

Place: Courtroom 17

450 Golden Gate Avenue, 16th Floor
San Francisco, California

Judge: Hon. Dennis Montali

I, John Cox, declare as follows:

1. I am an attorney at law, licensed to practice in the State of California and admitted to the bar of the Northern District of California. I am a partner with the firm of Law Offices of John Cox, P.C., and am one of the attorneys of record representing Valero Refining Company-California (“Valero”) in VALERO REFINING COMPANY-CALIFORNIA, a Delaware corporation v. PACIFIC GAS & ELECTRIC COMPANY, a California corporation, pending as Case No. 2:17-cv-01350-TLN-EFB in United States District Court for the Eastern District of California before the

1 Honorable Troy L. Nunley, United States District Judge (the “District Court Action”). I make this
2 declaration in that capacity and, if called upon to do so, I could and would testify of my own
3 personal knowledge to the facts set forth herein.

4 2. This declaration (the “Declaration”) is submitted in support of the Motion for Relief
5 From Stay by Valero Refining Company-California (the “Motion”) and in support of this Request
6 for Judicial Notice.

7 3. Except as otherwise indicated, all statements set forth in this Declaration are based
8 upon my personal knowledge or my review of relevant records and documents. If called upon to
9 testify, I could and would testify competently to the facts set forth in this Declaration.

10 4. The Court is requested to take judicial notice of the First Amended Complaint in the
11 District Court Action, a true and correct copy of which is attached hereto as Exhibit 1.

12 5. The Court is requested to take judicial notice of the ECF Docket maintained in the
13 District Court Action, a true and correct copy of which is attached hereto as Exhibit 2.

14 6. All fact discovery, including 19 depositions, has been completed in the District Court
15 Action, and all expert depositions (seven in all) except one (the eighth) have been taken.

16 7. The facts and legal issues in the District Court Action are complex and vigorously
17 disputed. The case is complex and difficult due to the highly technical electrical engineering and
18 refinery operations evidence and testimony expected regarding the responsibility for the outage that
19 occurred on May 5, 2017.

20 7. Attached hereto as Exhibits 3 and 4 are copies of insurance policies produced to
21 Valero by Defendant Pacific Gas & Electric Company (“PG&E”) in the District Court Action.

22 I declare under penalty of perjury under the laws of the United States of America that the
23 foregoing information is true and correct.

24 Dated: February 5, 2019

25 /s/ John Cox
26 John Cox
27
28

EXHIBIT 1

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Attorneys for Plaintiff
VALERO REFINING COMPANY -- CALIFORNIA

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF CALIFORNIA

VALERO REFINING COMPANY --
CALIFORNIA, a Delaware corporation.

Plaintiff,

VS.

PACIFIC GAS & ELECTRIC COMPANY, a
California corporation;

Defendant.

) Case No. 2:17-cv-01350-TLN-EFB
)
) **FIRST AMENDED COMPLAINT FOR:**
)
) **1. BREACH OF CONTRACT;**
)
) **2. BREACH OF IMPLIED CONTRACT;**
)
) **3. BREACH OF IMPLIED WARRANTY OF**
) **FITNESS FOR A PARTICULAR PURPOSE;**
)
) **4. BREACH OF COVENANT OF GOOD**
) **FAITH AND FAIR DEALING;**
)
) **5. NEGLIGENCE**
)
) **DEMAND FOR JURY TRIAL**

1 Plaintiff VALERO REFINING COMPANY – CALIFORNIA (“Valero”) states the following
2 for its Complaint against Defendant PACIFIC GAS & ELECTRIC COMPANY (“PG&E”):
3

4 **NATURE OF THE CASE**

5 1. On May 5, 2017, Defendant PG&E breached its duties, contractual and otherwise,
6 resulting in a complete power outage to Valero’s Benicia refinery (“The Refinery”). The loss of
7 power caused an emergency shutdown of the Refinery, an extended period of flaring and significant
8 damage to the complex Refinery equipment. The Refinery remained out of service for an extended
9 period of time depriving Valero of revenues and causing fuel supply disruptions in Northern
10 California. In causing the incident PG&E, among other things, breached its contractual duty to
11 reasonably and diligently provide reliable electric power to the Refinery and failed to exercise
12 reasonable care or diligence in designing, constructing, maintaining and operating its electrical
13 system, all of which resulted in substantial damage to Valero.

14 2. Valero has leased the Bahia Substation from PG&E. Valero relies on PG&E to provide
15 power to the Bahia Substation, which in turn powers the Refinery.

16 3. Valero contracted with PG&E in order to ensure that electric power would always be
17 available to the Refinery. The Refinery, and the sophisticated equipment operated within the
18 Refinery, requires reliable electric power in order to function safely and efficiently. As PG&E was
19 well aware, the failure to provide continuous and reliable power to the Refinery presented a safety risk
20 to the public, a safety risk to employees and contractors at the Refinery, and damage to the equipment
21 involved in the refining process.

22 4. PG&E knew or should have known that reliable electric power is critical to Refinery
23 operations, and that Refinery equipment operates under extremely high heat and pressure conditions.
24 PG&E further knew or should have known that an unplanned power dip or outage at the Refinery can
25 cause damage to Refinery equipment and create hazardous conditions. Furthermore, PG&E knew or
26 should have known that unplanned power dips or outages can present serious safety issues to Refinery
27 employees and members of the community, including the risk of explosions, fires, and serious injury
28 or death.

5. PG&E and its employees engaged in the conduct alleged herein causing significant damage to Valero. Under the principles of corporate liability and *respondeat superior*, PG&E is liable for the actions of its agents and/or employees with respect to the events alleged herein because they were acting within the scope of their agency and employment and for the benefit of PG&E.

6. Notwithstanding PG&E's duty to provide reliable electric service to the Refinery, and its knowledge of the potentially adverse effects of its failure to do so, PG&E failed to act reasonably in the design, construction, management, maintenance and operation of its equipment and facilities, resulting in a refinery-wide electrical outage to the Refinery on May 5, 2017, and significant damage to Valero as described herein.

THE PARTIES

7. Plaintiff Valero is a Delaware Corporation with refining and retail operations located on the west coast and having its principal place of business and corporate headquarters located in San Antonio, Texas. The Valero Benicia Refinery is one of the most complex refineries in the United States, and operates at a capacity of 165,000 barrels per day. Approximately 70% of the Refinery's product slate is California Air Resources Board ("CARB") gasoline, which amounts to 10% of the clean-burning CARB gasoline used in California and twenty-five percent (25%) of the CARB gasoline used in the San Francisco Bay Area. Valero employs approximately 480 personnel at its Refinery in Benicia California. The Refinery is certified by Cal/OSHA as a Cal/VPP Star site, a designation that recognizes employers whose occupational safety and health programs are exemplary. Valero is committed to operating its refineries in an environmentally responsible manner, and to promoting the health and safety of employees, customers, and the communities where it does business.

8. Defendant PG&E is a California corporation having its principal place of business located at 77 Beale Street, San Francisco, California 94105. PG&E is a subsidiary of PG&E Corporation, and is one of the largest regulated investor-owned electric utilities in California. On its website (<http://www.pge.com>), PG&E represents that its service area covers from Eureka in the north to Bakersfield in the south, from the Pacific Ocean to the Sierra Nevada. It claims to operate 141,215 circuit miles of electric distribution lines and 18,616 circuit miles of interconnected

1 transmission lines throughout this area. According to its website, PG&E maintains 5.4 million electric
2 customer accounts.

3 **JURISDICTION & VENUE**

4 9. This Court has diversity jurisdiction pursuant to 28 U.S.C. § 1332(a) because the
5 parties are citizens of different states and the matter in controversy exceeds \$75,000 exclusive of
6 interest and costs.

7 10. This Court has personal jurisdiction over PG&E because PG&E resides in this State,
8 does business in this State, has engaged in acts or omissions within this State causing injury, and has
9 otherwise established contacts with this State making the exercise of personal jurisdiction proper.

10 11. The claims asserted herein do not fall within the jurisdiction of the California Public
11 Utilities Commission. *See Fenholt v. So. Cal. Edison Company*, (2014) Proposed Decision (D.) 13-
12 07-014, at 1 (“the Commission lacks jurisdiction to award compensatory damages”); *Elder v. Pacific*
13 *Bell Telephone Co.*, 205 Cal. App. 4th 841, 848 (2012) (Section 2106 of the Public Utilities Code
14 “confirms the full power of the courts to pass judgment on what utilities do”).

15 12. Venue is proper in this District under 28 U.S.C. § 1331(b)(1) and (2) because PG&E
16 resides in this District, and a substantial part of the events or omissions giving rise to the action
17 occurred in this District because the Benicia Refinery, where the outage occurred, is located in this
18 District.

19 **INTRADISTRICT ASSIGNMENT**

20 21 13. Pursuant Local Rule 120(d), intradistrict assignment to Sacramento is proper because
22 the unlawful conduct that gives rise to this litigation occurred in the County of Solano.

23 **FACTUAL BACKGROUND**

24 25 14. The Refinery is located in Benicia, California. The Refinery produces a variety of fuel
26 products such as propane, butane, California Air Resources Board (CARB) gasoline, ultra-low-sulfur
27 diesel (ULSD), jet fuel, fuel oil, residual oil and asphalt.

1 15. A source of consistent and reliable electric power is essential to around the clock
2 operation of the Refinery. Proper shutdown and startup of the sophisticated mechanical equipment
3 that drives the Refinery's operational processes can take up to a week or more. This machinery is
4 therefore particularly sensitive to sudden and unexpected reductions in power or power outages—all
5 of which can result in unanticipated Refinery shutdowns. Such service interruptions include outages
6 caused by the failure to use reasonable diligence by the Refinery's energy provider, PG&E. These
7 unanticipated shutdowns pose a substantial risk of harm and damage to the Refinery's sophisticated
8 equipment and production output, which in turn impacts the availability of end products to consumers
9 as well as Valero's profitability.

10 16. The consequences of unanticipated reductions in power and power outages can impact
11 the safety of Refinery employees as well as the surrounding community. Outages at oil refining
12 facilities in particular can pose particularly disastrous consequences, including explosions and/or fires
13 resulting in property damage and serious injury or death to individuals, as well as serious environ-
14 mental hazards precipitated by the unexpected and unintended release of harmful materials. Electric
15 utilities, including PG&E, are well aware of these risks.

16 17. PG&E provides electric service to the Refinery. PG&E's provision of electric services
17 to the Refinery is governed by several agreements.

18 18. Under a Special Agreement for Electrical Standby Service ("Standby Agreement"),
19 Valero receives service pursuant to Schedule S, "Standby Service," and in accordance with and
20 subject to PG&E's applicable rates and rules as regularly established. Term and Condition 1 of the
21 Standby Agreement provides:

22 Customer has requested PG&E to stand ready *at all times* to deliver or
23 supply and deliver electric energy to Customer's premises on an as-
24 needed basis. Such standby service shall be provided to Customer in
25 accordance with and subject to PG&E's applicable rates and rules as
26 established from time to time by, and on file with, the California Public
27 Utilities Commission (Commission).

28 See Exhibit A (emphasis added).

29 19. Under a Generation Operating Communication Agreement ("Communication
30 Agreement"), PG&E agreed to "give advance notice (minimum of 7 days), of plans to perform work,

1 which will affect Valero's access to the PG&E electric system. *See Exhibit B.* The Communication
 2 Agreement also incorporates by reference the PG&E Interconnection Handbook and Electric Rules 2,
 3 14, and 21. *See id.*

4 20. Electric Rule No. 14 "Shortage of Supply and Interruption of Delivery" provides:

5 *PG&E will exercise reasonable diligence and care to furnish and*
6 deliver a continuous and sufficient supply of electric energy to the
7 customer, but does not guarantee continuity or sufficiency of supply.
8 PG&E will not be liable for interruption or shortage or insufficiency of
9 supply, or any loss or damage of any kind of character occasioned
thereby, if same is caused by inevitable accident, act of God, fire,
*strikes, riots, war, or any other cause **except that arising from its failure***
to exercise reasonable diligence.

10 *See Exhibit C (emphasis added).*

11 21. PG&E provides both the primary and backup electrical power for the Refinery. Valero
 12 contracted with PG&E for the allocation of a redundant powerline, which serves as the Refinery's
 13 backup power source and is intended to prevent unplanned power interruptions. The PG&E Vaca
 14 Dixon 230 kilo-volt ("KV") powerline on circuit breaker CB212 and the PG&E Moraga 230 KV
 15 powerline on circuit breaker CB242 are both independent of each other so that each powerline
 16 functions as a back-up power supply to the other. Each powerline has over a 100 megawatt ("MW")
 17 capacity. A typical Refinery load is 65 MW. Therefore, the Refinery does not require access to both
 18 PG&E powerlines lines at the same time to provide full power.

19 22. The Refinery also has a Cogeneration Unit ("Cogen") that can provide up to 47 MW of
 20 power. However, the Cogen is not the Refinery's backup power supply. Although the Cogen is
 21 connected in parallel with the PG&E powerlines, it cannot operate when the Refinery suddenly loses
 22 all PG&E power because Cogen supply is rated 47 MW, or 18 MW less than the Refinery 65 MW
 23 load. In this situation, the Cogen equipment becomes overloaded and the Cogen circuit breaker trips.

24 23. PG&E failed to design, construct, maintain and operate its equipment and services in a
 25 reasonably diligent manner such that sufficient power could be provided to the Refinery. On May 5,
 26 2017 when the Valero side of the Bahia Substation became isolated from the PG&E Electrical grid,
 27 without notice and through no fault of Valero and solely because of PG&E's actions, the Refinery

1 suffered a complete loss of power. During this event, caused solely by PG&E's own actions, PG&E
2 could no longer provide Standby service in accordance with its agreement with Valero.

3

4 **THE MAY 5, 2017 POWER OUTAGE**

5 24. On March 20, 2017, PG&E notified Valero that PG&E was planning three electrical
6 line clearances, which had previously been scheduled to be performed in February of 2017. The
7 originally scheduled clearances were cancelled because a PG&E tower, on the PG&E Moraga line,
8 was in danger of falling due to a mudslide. The rescheduled line clearances were set to begin on
9 May 1, 2017 and continue through May 12, 2017.

10 25. On the evening of May 4, 2017, PG&E completed the first of the three scheduled
11 electrical line clearances.

12 26. Valero is informed and believes that sometime prior to the early morning of May 5,
13 2017, the PG&E Moraga line experienced a failed coupling capacitor voltage transformer ("CCVT").
14 A CCVT is a transformer used in power systems to step down extra high voltage signals and provide a
15 low voltage signal, for instrumentation metering or operating protective control relays.

16 27. On May 5, 2017 at approximately 6:40 a.m., while PG&E was performing the second
17 of three scheduled electrical line clearances, the Refinery experienced a complete loss of 230 KV
18 electrical utility power from PG&E. The power outage occurred when the PG&E Moraga line
19 experienced a failed CCVT, followed by PG&E de-energizing the Vaca Dixon line to perform the
20 scheduled line clearance at the Bahia Substation. Although the Moraga line was still energized,
21 PG&E's failed CCVT sent a false voltage signal to simultaneously open Valero's three circuit
22 breakers, CB476, CB486 and CB496, causing the Refinery to lose all power from both the PG&E
23 Vaca Dixon and Moraga 230 kV powerlines, the Refinery's primary and backup power sources. The
24 loss of both PG&E lines also forced Valero's Cogen offline, which is designed to occur in the event of
25 a 230 kW loss of PG&E power because the Cogen's 47 MW rating is not sufficient to power up the
26 65 MW average demand of the Refinery.

27 28. Although PG&E was aware of the CCVT equipment failure on the Moraga line and
28 knew or should have known that de-energizing the Vaca Dixon line to perform the scheduled

1 maintenance while a CCVT equipment failure existed on the Moraga line would cause a complete loss
2 of power to the Refinery, PG&E failed to notify the Refinery and failed to take preventative steps to
3 avoid a total loss of electrical power to the Refinery.

4 29. PG&E restored power to the Bahia Substation just before 7:00 a.m., however power in
5 the Refinery was not restored until approximately 7:50 a.m., with the Refinery power distribution
6 system not being completely normalized until after 3:00 p.m.

7 30. The complete loss of electrical power from PG&E on May 5th caused a Refinery-wide
8 emergency shutdown, a result that was foreseeable to PG&E.

9 31. The Refinery's process units and boilers shut down and depressurized. Due to the
10 abrupt nature of the emergency shutdown, the Refinery was unable to go through the systematic
11 process it follows for planned shutdowns that allows the Refinery to minimize emissions and ensure
12 safe operations and protect equipment. Because the May 5th shutdown was abrupt and unforeseen to
13 Valero, substantial equipment damage and heavy flaring occurred after the Refinery lost power and
14 was forced to shut down.

15 32. Flares are an industrial safety device designed to safely dispose of products in a
16 controlled manner to protect employees and the community. The sudden loss of PG&E electrical
17 power caused the Refinery to flare on May 5th while emergency shutdown procedures were followed
18 to safely shut down the Refinery. The Refinery also flared on several subsequent occasions as Valero
19 attempted to bring units back online following the power outage. The emergency shutdown caused
20 substantial damage to the Refinery's property and equipment.

21 33. As a result of the May 5, 2017 PG&E power loss and resulting flaring, the City of
22 Benicia issued an evacuation order for the Benicia Industrial Park and two neighboring elementary
23 schools were ordered to shelter-in-place.

24 34. Further, as a result of the May 5, 2017 PG&E power loss, flaring, and resulting
25 emergency shutdown of the Refinery, to date Valero has received eleven (11) Notices of Violation
26 ("NOVs") from the Bay Area Quality Management District ("BAAQMD") for excess visible
27 emissions and public nuisance violations.

35. Following the May 5th PG&E power loss, the Refinery began the process of evaluating and repairing the extensive damage caused by the loss of power to ensure all Refinery units could be brought safely back online and the Refinery could resume normal operations. As a result of having to take most of the Refinery units offline to evaluate the damage and complete repairs, Valero lost a substantial amount of profits, all of which are damages proximately caused by PG&E's negligence. Due to the damage caused by PG&E's power loss, the Refinery was unable to resume normal operations until June 5th, 2017.

36. By letter dated May 16, 2017, Valero provided PG&E notice of its potential claim and requested PG&E preserve all evidence related to the May 5th power outage in anticipation of litigation. By letter dated May 26, 2017, Valero also provided PG&E notice that Valero has suffered substantial damages as a result of the May 5th power outage.

37. Although Valero has repeatedly requested technical answers about the May 5th power loss and permission to participate in PG&E's incident investigation process, PG&E has not been cooperative. Importantly, PG&E has not provided Valero with an assurance that a complete power loss to the refinery will not occur again, nor has PG&E accepted responsibility for the damage caused by the loss of PG&E power on May 5, 2017.

First cause of action (Breach of Contract)

38. Valero incorporates herein by reference the allegations set forth in Paragraphs 1 through 37 of this Complaint.

39. PG&E had a contractual obligation to exercise reasonable care when supplying electricity to the Refinery.

40. Valero and PG&E entered into a Special Agreement for Electrical Standby Service on December 31, 2002. The Standby Agreement constitutes a binding contract between Valero and PG&E. *See Exhibit A.*

41. Under the Standby Agreement, Valero receives service pursuant to Schedule S, "Standby Service," and in accordance with and subject to PG&E's applicable rates and rules as

1 regularly established. Term and Condition 1 of the Standby Agreement provides that PG&E will
2 “stand ready at all times to deliver or supply and deliver electric energy to [Valero’s] premises on an
3 as-needed basis.” Exhibit A.

4 42. Valero and PG&E entered into the Generation Operating Communication Agreement
5 on June 5, 2008. The Communication Agreement constitutes a binding contract between Valero and
6 PG&E. *See Exhibit B.*

7 43. Under the Communication Agreement, PG&E agreed to “give advance notice
8 (minimum of 7 days), of plans to perform work, which will affect Valero’s access to the PG&E
9 electric system.” *See Exhibit B.* The Communication Agreement also incorporates by reference,
10 among others, Electric Rule 14 “Shortage of Supply and Interruption of Delivery” provides:

11 PG&E will exercise reasonable diligence and care to furnish and deliver
12 a continuous and sufficient supply of electric energy to the customer, but
13 does not guarantee continuity or sufficiency of supply. PG&E will not
14 be liable for interruption or shortage or insufficiency of supply, or any
15 loss or damage of any kind of character occasioned thereby, if same is
16 caused by inevitable accident, act of God, fire, strikes, riots, war, or any
17 other cause except that arising from its failure to exercise reasonable
18 diligence.

19 *See Exhibits B and C.*

20 44. Valero has properly performed and complied with all terms and conditions under the
21 Standby Agreement, except for any terms and conditions which have been excused, prevented,
22 waived, and/or released by PG&E.

23 45. PG&E breached the Standby Agreement by failing to “stand ready at all times to
24 deliver or supply and deliver electric energy to [Valero’s] premises on an as-needed basis.”

25 46. Valero has properly performed and complied with all terms and conditions under the
26 Communication Agreement, except for any terms and conditions which have been excused, prevented,
27 waived, and/or released by PG&E.

28 47. PG&E breached the Communication Agreement by failing to “give advance notice
29 (minimum of 7 days), of plans to perform work, which will affect Valero’s access to the PG&E
30 electric system,” and by failing to “exercise reasonable diligence and care to furnish and deliver a
31 continuous and sufficient supply of electric energy to the customer.”

48. Valero made a reasonable effort to minimize the damage caused by PG&E's breach of the Standby Agreement and the Communication Agreement.

49. However, as a direct, proximate and foreseeable result of PG&E's breach of the Standby Services Agreement and the Communication Agreement, Valero has suffered damages including, but not limited to the following:

a. Costs and expenses to restore operations at the Refinery after the shutdown that was caused by the unexpected and unplanned power outage;

b. Costs and expenses to repair the facilities at the Refinery after the shutdown that were damaged as a result of the unexpected and unplanned power outage;

c. Costs and expenses related to Valero's investigation of the unexpected and unplanned power outage;

d. Lost earnings and profits resulting from the decrease in production output at the Refinery caused by the unexpected and unplanned power outage; and

e. Harm to Valero's reputation.

50. The loss of power resulted in damages for Valero, as described more fully above. The exact amount of damages will be proven at trial, but is in excess of Seventy-Five Million Dollars (\$75,000,000).

Second cause of action

(Breach of Implied Contract)

51. Valero incorporates herein by reference the allegations set forth in Paragraphs 1 through 37 of this Complaint.

52. Valero pleads this cause of action as an alternative to its cause of action for Breach of Contract, as permitted by Federal Rule of Civil Procedure 8(d)(2).

53. Valero and PG&E engaged in a course of conduct that made PG&E aware of Valero's manifest need for a reliable source of electrical power.

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1 54. Valero and PG&E engaged in a course of conduct that made PG&E aware of the
2 importance of providing Valero with notice of any plans to perform work that could affect Valero's
3 access to the PG&E electrical system.

4 55. The course of conduct between the parties was such that Valero retained a reasonable
5 expectation that Valero would receive reliable electrical power from PG&E.

6 56. The course of conduct between the parties was such that Valero retained a reasonable
7 expectation that PG&E would provide Valero with notice of any plans to perform work that could
8 affect Valero's access to the PG&E electrical system.

9 57. An implied contract for PG&E to provide continuous and reliable power to the
10 Refinery existed between Valero and PG&E.

11 58. An implied contract for PG&E to provide notice of any plans to perform work that
12 could affect Valero's access to the PG&E electrical system existed between Valero and PG&E.

13 59. PG&E breached the implied contracts by failing to provide notice to Valero of work
14 that could affect Valero's access to the PG&E electrical system.

15 60. PG&E breached the implied contracts by failing to provide continuous and reliable
16 electrical service to the Refinery on May 5, 2017.

17 61. Valero has properly performed and complied with all terms and conditions under the
18 implied contracts, except for any terms and conditions which have been excused, prevented, waived,
19 and/or released by PG&E.

20 62. Valero made a reasonable effort to minimize the damage caused by PG&E's breach of
21 the implied contracts.

22 63. However, as a direct, proximate and foreseeable result of PG&E's breach of contract,
23 Valero has suffered damages including, but not limited to the following:

24 a. Costs and expenses to restore operations at the Refinery after the shutdown that
25 was caused by the unexpected and unplanned power outage;

26 b. Costs and expenses to repair the facilities at the Refinery after the shutdown
27 that were damaged as a result of the unexpected and unplanned power outage;

c. Costs and expenses related to Valero's investigation of the unexpected and unplanned power outage;

d. Lost earnings and profits resulting from the decrease in production output at the Refinery caused by the unexpected and unplanned power outage; and

e. Harm to Valero's reputation.

64. The loss of power resulted in damages for Valero, as described more fully above. The exact amount of damages will be proven at trial, but is in excess of Seventy-Five Million Dollars (\$75,000,000).

Third cause of action

(Breach of Implied Warranty of Fitness for Particular Purpose)

65. Valero incorporates herein by reference the allegations set forth in Paragraphs 1 through 64 of this Complaint.

66. Valero informed PG&E, both orally and in writing that it wished to secure a reliable source of electricity to its Refinery in order to power its operations for the particular purpose of safely powering Valero's complex petroleum refining and processing operations. Valero further informed PG&E, both orally and in writing, that fluctuations or interruptions to electrical service to the Refinery would cause severe damage to Valero's equipment and operations.

67. Valero is a unique customer of electrical power because it relies on a significant and constant supply of electrical power from PG&E in order to safely operate the Refinery. Unlike most customers, Valero has entered into several written contracts with PG&E relating to the supply of electrical power, including but not limited to the Standby Services Agreement and the Communication Agreement. Valero is also a unique customer because an unexpected loss of electrical power for even a small period of time can lead to a significant risk of harm and damage to the Refinery's equipment and production output, as was the case with the May 5 outage.

68. Valero relies on PG&E's skill, judgment and representations to provide a reliable source of electric service to the Refinery in order to power its operations.

1 69. PG&E therefore knew or should have known at the time it entered into the Standby
2 Agreement and the Communication Agreement that Valero intended to utilize electric service for the
3 particular purpose of safely powering its complex petroleum refining and processing operations, and
4 that fluctuations or interruptions in electrical service to the Refinery would cause severe damage to
5 Valero's equipment and operations.

6 70. PG&E knew, prior to execution of the Standby Agreement and the Communication
7 Agreement, that Valero had to rely on PG&E's skill, judgment and representations in furnishing
8 electrical service suitable for Valero's particular purpose of safely powering its complex petroleum
9 refining and processing operations.

10 71. PG&E was obligated under an implied warranty of fitness for a particular purpose to
11 provide Valero with electrical service that was fit for Valero's particular purpose of safely powering
12 its complex petroleum refining and processing operations, which included—among other things—
13 electrical service free from fluctuations and service interruptions.

14 72. However, as a direct, proximate and foreseeable result of PG&E's breach of the
15 implied warranty of fitness for a particular purpose, Valero has suffered damages including, but not
16 limited to the following:

17 a. Costs and expenses to restore operations at the Refinery after the shutdown that
18 was caused by the unexpected and unplanned power outage;

19 b. Costs and expenses to repair the facilities at the Refinery after the shutdown
20 that were damaged as a result of the unexpected and unplanned power outage;

21 c. Costs and expenses related to Valero's investigation of the unexpected and
22 unplanned power outage;

23 d. Lost earnings and profits resulting from the decrease in production output at the
24 Refinery caused by the unexpected and unplanned power outage; and

25 e. Harm to Valero's reputation.

26 73. The loss of power resulted in damages for Valero, as described more fully above. The
27 exact amount of damages will be proven at trial, but is in excess of Seventy-Five Million Dollars
28 (\$75,000,000).

1 Fourth cause of action

2 (Breach of Covenant of Good Faith and Fair Dealing)

3 74. Valero incorporates herein by reference the allegations set forth in Paragraphs 1
4 through 73 of this Complaint.

5 75. The Communication Agreement included an implied covenant of good faith and fair
6 dealing.

7 76. Valero has properly performed and complied with all terms and conditions under the
8 Communication Agreement, except for any terms and conditions which have been excused, prevented,
9 waived, and/or released by PG&E, and there were no conditions precedent relieving PG&E of its
10 obligation to perform.

11 77. The purpose of the Communication Agreement is to facilitate the exchange of
12 information and maintenance plans that have the potential to affect Valero's access to PG&E's
13 electrical supply.

14 78. PG&E failed to inform Valero of the failed CCVT on the Moraga line and instead
15 proceeded with the line clearance on the Vaca Dixon line as scheduled on May 5. PG&E's failure to
16 communicate information about the compromised CCVT prior to the Vaca Dixon line clearance was
17 in contravention of the purpose of the Communication Agreement, and unfairly interfered with
18 Valero's right to receive the benefits of the Communication Agreement.

19 79. To the extent that PG&E argues that notice of the failed CCVT was not required
20 pursuant to the express terms of the Communication Agreement, PG&E nevertheless breached the
21 implied covenant of good faith and fair dealing by failing to provide notice to Valero of important
22 information solely within PG&E's knowledge and control that PG&E knew or should have known
23 could affect Valero's access to the PG&E electrical system.

24 80. As a direct, proximate and foreseeable result of PG&E's breach of the implied
25 covenant of good faith and fair dealing, Valero has suffered damages including, but not limited to the
26 following:

27 a. Costs and expenses to restore operations at the Refinery after the shutdown that
28 was caused by the unexpected and unplanned power outage;

b. Costs and expenses to repair the facilities at the Refinery after the shutdown that were damaged as a result of the unexpected and unplanned power outage;

c. Costs and expenses related to Valero's investigation of the unexpected and unplanned power outage;

d. Lost earnings and profits resulting from the decrease in production output at the Refinery caused by the unexpected and unplanned power outage; and

e. Harm to Valero's reputation.

81. The loss of power resulted in damages for Valero, as described more fully above. The exact amount of damages will be proven at trial, but is in excess of Seventy-Five Million Dollars (\$75,000,000).

Fifth cause of action

(Negligence)

82. Valero incorporates herein by reference the allegations set forth in Paragraphs 1 through 81 of this Complaint.

83. PG&E owed a duty to Valero to exercise reasonable care and caution in the design, construction, inspection, maintenance and operation of the electrical service provided to the Refinery at a level or amount commensurate with the amount of harm that would foreseeably result from a power outage at the Refinery. In no way can PG&E abrogate its duty to exercise reasonable care to avoid unnecessary risks of harm to Valero and the Refinery.

84. PG&E knew or should have known, based on its ongoing relationship with Valero and its longstanding provision of electrical service to the Refinery, that a reliable supply of electricity is imperative to avoid serious damage and loss of operation to the Refinery. PG&E assured Valero that it was committed to providing a reliable supply of power to the Refinery. PG&E acknowledges that it is responsible for damages arising from its failure to exercise reasonable diligence and care to furnish and deliver a continuous and sufficient supply of electric energy to the customer. PG&E further acknowledges that it is responsible for damage that results from its own negligence.

1 85. PG&E knew or should have known that the consequences of a power outage at a
2 refinery are much more severe than those faced by ordinary electrical customers. Sophisticated
3 refinery machinery is particularly sensitive to loss of power and steam caused by electrical power
4 outages or electrical service interruptions, resulting in unanticipated shutdowns. Unscheduled
5 shutdowns can not only damage refinery equipment, but they also compromise production, which in
6 turn affects profitability. Moreover, unplanned service interruptions that cause unanticipated
7 shutdowns can also create significant safety and environmental issues and apprehension throughout
8 the surrounding community, including explosions, fires, personal injury, and death.

9 86. PG&E knew or should have known that Valero relies on its provision of electrical
10 service to operate the Refinery on a continuous basis, and that carrying out maintenance or other
11 activities in a manner that could jeopardize the availability of that supply pose a significant risk that
12 the Refinery would experience a total loss of power under the circumstances described herein.

13 87. PG&E had a duty to Valero to exercise ordinary care in providing electrical services to
14 the Refinery. PG&E breached its duty of care by, *inter alia*:

- 15 a. Failing to provide notice to Valero about the CCVT equipment failure that
16 occurred at the Bahia substation;
- 17 b. Failing to take preventative steps to prevent the incident;
- 18 c. Failing to design, construct, inspect, maintain and operate the sources of power
19 supplying the Refinery in a manner to avoid unexpected power failure;
- 20 d. Failing to provide Valero the required advance notice of maintenance on PG&E
21 power sources;
- 22 e. Failing to train and supervise employees in order to avoid operational and/or
23 equipment failure;
- 24 f. Failing to maintain and/or upgrade to current standards its existing sources of
25 power to the Bahia Substation in order to avoid unexpected power failure in an event similar to
26 circumstances described herein;

27 ///

g. Failing to design, construct and implement a plan that would ensure the continued provision of electric power to the Refinery in the event that transmission lines were lost and the Bahia Substation was isolated from the PG&E grid; and

h. Actively dismantling the Refinery's primary backup power.

88. Further, ignoring the CCVT utility equipment failure report posed an extreme risk of danger to the health and safety of the employees at the Refinery as well as the surrounding communities to the point that such failure to take preventative steps once such report was made constitutes a failure to exercise even scant care, with an indifference to human life, and extreme departure from the ordinary standard of conduct on the part of PG&E. At all times PG&E was aware of such heightened degree of danger but still proceeded the way it did, ignoring the warning signs, and causing all of the damages claimed by Valero described herein.

89. Valero made a reasonable effort to minimize the damage caused by PG&E's negligent provision of electrical service to the Refinery.

90. However, as a direct, proximate and foreseeable result of PG&E's breach of duty, Valero has suffered damages including, but not limited to the following:

a. Costs and expenses to restore operations at the Refinery after the shutdown that was caused by the unexpected and unplanned power outage;

b. Costs and expenses to repair the facilities at the Refinery after the shutdown that were damaged as a result of the unexpected and unplanned power outage;

c. Costs and expenses related to Valero's investigation of the unexpected and unplanned power outage;

d. Lost earnings and profits resulting from the decrease in production output at the Refinery caused by the unexpected and unplanned power outage; and

e. Harm to Valero's reputation.

91. The loss of power resulted in both general and special damages for Valero, as described more fully above. The exact amount of damages will be proven at trial, but is in excess of Seventy-Five Million Dollars (\$75,000,000).

1 WHEREFORE, Valero prays for judgment against PG&E as follows:

2 1) For damages according to proof;

3 2) Restitution;

4 3) For costs of suit incurred herein; and

5 4) For such other relief as the Court may deem just and proper.

6

7

8 DATED: September 11, 2017

/s/ Nathan R. Jaskowiak

9 JOHN COX
10 NATHAN R. JASKOWIAK
11 ALEXANDER J. BUKAC
12 KEEBAL, YOUNG & LOGAN

13 MIKAL C. WATTS
14 FRANCISCO GUERRA IV
15 MARK A. FASSOLD
16 WATTS GUERRA, L.L.P.

17 Attorneys for Plaintiff
18 VALERO REFINING COMPANY --
19 CALIFORNIA

EXHIBIT A

Distribution

- Division
- Customer
- Tariffs and Compliance
- Electric Billing Solutions

QF LOG # _____
Premise # _____
Acct # _____

New Acct ID 5845536438
src Agreemt ID 5845536005

**PACIFIC GAS AND ELECTRIC COMPANY'S
SPECIAL AGREEMENT FOR ELECTRICAL STANDBY SERVICE**

This is an agreement, between VALERO REFINING COMPANY - CALIFORNIA, a (Customer), and PACIFIC GAS AND ELECTRIC COMPANY (PG&E). This agreement will be herein referred to as "Agreement".

Customer has requested PG&E to provide standby service at Customer's premises at **3400 East Second Street, Benicia, California, County of Solano, California**, under one of the standby options designated below:

Option 1 - Standby service for customers whose supply requirements would otherwise be delivered through PG&E owned facilities (including Independent System Operator controlled transmission facilities), are regularly and completely supplied through facilities not owned by PG&E.

The non-utility owned generating facilities have a total rated capacity of approximately _____ kVA.

All PG&E power deliveries will be made under Schedule S -- *Standby Service*.

Option 2 - Standby service for customers who regularly take electric service from another public utility but desire PG&E to reserve its generation, transmission or distribution capacity for their use:

Customer currently is supplied regular electric service from another utility's generation, transmission, or distribution system; Customer may be alternately served by PG&E by means of a double-throw switch. Both PG&E and the other utility have consented to this arrangement. Customer's maximum demand from electric equipment on his premises is _____ kW.

All PG&E power deliveries will be made under Schedule S.

This option will expire the day after the Commission ends the rate freeze ordered by Assembly Bill 1890.

Option 3 - Standby service for customers who require PG&E to reserve transmission or distribution capacity and stand ready at all times to deliver electricity on an irregular or non-continuous basis:

Customer has a) a premise which is normally, in part but not in whole, served by non-utility owned generation facilities with a total rated capacity of less than 50 percent of Customer's maximum demand for that premise, or b) a premise which qualifies for back-up service under the provisions of Special Condition 7 of Schedule

S (See Option 4) but chooses not to elect Option 4 or currently lacks the necessary on-site metering to bill Option 4 properly, or c) electrical equipment which is used on an irregular or non-continuous basis. The total rated capacity of Customer's generation facilities or irregularly utilized equipment is _____ kVA.

Customer will be billed for all PG&E power deliveries on the otherwise applicable rate schedule; however, Special Conditions 1 through 6 and 8, 9, and 10 of Schedule S will also apply to Customer's service.

Option 4 - Standby service for customers who do not meet the criteria described in Option 1 and 2 above, but elect to receive back-up and maintenance portion of their total standby requirements under the provisions of Special Condition 7 of Schedule S:

At least 50 percent of Customer's maximum electric demand is served by a non-utility owned generator, and all necessary metering has been installed (by May 1, 1994, or the effective date of the contract) by PG&E to separately measure Customers net on-site generation and on-site load requirements. Customer would otherwise, except for such generation, qualify for service under Schedule E-19 (mandatory), E-20 or E-25.

Customer will be billed for the back-up and maintenance portion of the premises' total service requirements under the provisions of Special Condition 7 of Schedule S, and for its ordinary supplemental power requirements (on-site load in excess of the capability of the customer's non-utility owned generation) under the provisions of the otherwise applicable rate schedule. All back-up and maintenance power deliveries by PG&E will be billed in accordance with Schedule S, subject to a Summer Season Operating Capacity Adjustment of 0 kW.

PU Code 353 exemption:

Standby service for customers who qualify for exemption under PU Code 353 and elect to take this exemption.

Customers with supplemental power requirements:

*For customers with supplemental power requirements (on-site load in excess of the capability of the customer's non-utility owned generation) under the provisions of the otherwise applicable rate schedule, Special Conditions 1 through 7 of Schedule S will **not** apply. (Option 3)*

Customers with excess generation:

*For those customers who operate electric generation equipment capable of serving their entire load and elect to take this exemption, Special Condition 1 (reservation capacity) will **not** apply. All other applicable charges of Schedule S will apply. (Options 1, 2 and 4)*

Terms and Conditions

1. Customer has requested PG&E to stand ready at all times to deliver or supply and deliver electric energy to Customer's premises on an as-needed basis. Such standby service shall be provided to Customer in accordance with and subject to

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Page 2 of 4

Revised April 2002

PG&E's applicable rates and rules as established from time to time by, and on file with, the California Public Utilities Commission (Commission).

2. PG&E shall be granted, without cost to it, all necessary rights-of-way and easements, satisfactory to PG&E, in both location and form of document, to establish such service.
3. All necessary service facilities to accommodate Customer's load shall be furnished by PG&E and Customer as specified in electric line extension and service rules or the otherwise appropriate extension agreements. Any necessary extensions and reinforcements of PG&E's distribution and transmission facilities that are furnished by PG&E at Customer's expense in accordance with either a separate line extension or special facilities agreement, in accordance with the applicable tariffs.
4. All facilities furnished by PG&E to provide electric service at all times shall be and remain the property of PG&E notwithstanding that they may be affixed to Customer's property. PG&E may remove such facilities upon termination of the Agreement.
5. During the term of this Agreement, Customer grants to PG&E the right to operate, maintain, replace, and repair PG&E's facilities on Customer's premises necessary to provide standby service hereunder and all rights necessary for access to and from such facilities at all reasonable times.
6. All standby electric service provided shall be three phase, 60 hertz, alternating current at an electromotive force of approximately 230,000 volts. Allowable variations in this frequency and voltage are specified in PG&E's electric Rule 2. The delivery point for PG&E's standby service shall be considered the point where conductors owned, or under license by Customer, contact PG&E's conductors, or as otherwise designated by applicable rules.
7. The initial reserved capacity for standby service shall be 40,000 kW (Reservation Capacity) and shall be billed monthly at the rate described in the "Rates" section of Schedule S
8. If the Customer is already receiving standby service from PG&E under a preceding contract, that contracted or reserved capacity, or the amount of capacity to which that contract has been subsequently ratcheted, shall automatically become the Customer's Reservation Capacity, until the ratchet period ends unless the Reservation Capacity has been increased in accordance with the preceding paragraph.
9. Customer elects to receive any backup and maintenance service that is to be billed under the provisions of Schedule S under the following terms: X Firm Service Only, _____ Nonfirm Service, or _____ Nonfirm Service with Underfrequency Relay. (See Schedule S for eligibility and definitions of these terms.)
10. If Customer has a generator and wishes to operate that generator in parallel with PG&E's system, Customer must also execute either a power purchase agreement, or parallel operation agreement, or applicable interconnection agreement with PG&E. Interconnection and operation of all non-utility owned generation paralleling with PG&E's system will be treated in accordance with electric Rule 21. Customers may need to meet those requirements as imposed by other governing entities having

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Page 3 of 4

Revised April 2002

jurisdiction including the Independent System Operator and the Western Systems Coordinating Council.

11. Customer shall pay PG&E the monthly charges for the standby service provided hereunder at any established office of PG&E.
12. The initial term of this Agreement shall be for a period of one (1) year from the date the standby service under this Agreement is first made available to Customer as such date is established in PG&E's records and shall continue thereafter from year to year. Customer may terminate this Agreement at the expiration of the initial or any subsequent one-year term, or PG&E may terminate this Agreement in accordance with its tariffs, provided that written notice of such termination is given to the other party at least thirty (30) days prior to such termination date.
13. Customer may, with PG&E's written consent, assign this Agreement to a subsequent owner of the premises if the assignee will, in writing; agree to perform the obligations of the Agreement.
14. This Agreement shall, at all times, be subject to such changes or modifications by the Commission as it may from time to time direct in the exercise of its jurisdiction.

Dated this 31st day of December, 2002.

VALERO REFINING COMPANY

PACIFIC GAS AND ELECTRIC

BY: W.H.Buckalew Jr
(Signature)

BY: 
(Signature)

William H. Buckalew, Jr.
(Type / print name)

(Type / print name)

TITLE: Vice President & General Manager TITLE:

Mailing Address: _____ **Mailing Address:** _____

3400 East Second Street
Benicia, CA 94510-1097

EXHIBIT B

 **POSTED** 

Valero Generation/Fulton Control Center

**GENERATION OPERATING
COMMUNICATION AGREEMENT**



Pacific Gas & Electric Company

GENERATION OPERATING COMMUNICATION AGREEMENT

This Agreement sets up operating responsibilities and associated procedures for communications between Valero and Fulton Control Center. The Agreement also establishes procedures for safe work on electric systems and routine test procedures.

1. DEFINITIONS

When underlined, the following terms shall have the following meanings:

"Clearance Point" -- The points that isolate equipment from possible sources of energy. PG&E may, from time to time, request that the Valero provide a Clearance Point so that work can be safely performed on the PG&E electric system.

Fulton Control Center -- The PG&E location, identified in this Agreement, with operational jurisdiction over Facility and substation. The **Fulton Control Center** is staffed 24 hours a day.

"Emergency" -- An actual or imminent condition or situation, which jeopardizes the PG&E Distribution System Integrity.

"Interconnection Facilities" -- All apparatus installed to interconnect and deliver power between PG&E system and Valero's substation.

Interconnection Facilities include, but are not limited to, connection, transformation, switching, metering, and communications equipment, as well as any necessary additions, modifications and reinforcements to the PG&E system necessitated as a result of interconnecting the Facility to the PG&E system. **Interconnection Facilities** also include control and safety equipment to protect (1) the PG&E system and its customers from faults occurring at the Valero's Facility and substation, and (2) the Valero's Facility and substation from faults occurring on the PG&E system or on the system of others to which the PG&E system is directly or indirectly connected.

"Non-Test" -- A procedure used by PG&E in connection with work on a live line or near an energized circuit. In a **Non-Test**, PG&E will request that the Valero

contact the Fulton Control Center before re-energizing a circuit following an automatic trip.

"PG&E Electric System Integrity" -- The condition under which a Distribution System is deemed safe and can reliably perform its intended functions in accordance with the safety and reliability rules of PG&E

OPERATION OF GENERATION FACILITY AND SUBSTATION

Valero shall maintain operating communications with Fulton Control Center. The operating communications shall include, but not be limited to, system paralleling or separation, scheduled and unscheduled shutdowns, equipment clearances, levels of operating voltage or power factors, and daily operating reports as provided below.

All oral operating communications shall be conducted through Fulton Control Center. Valero agrees to maintain a 24-hour phone contact so that PG&E can give instructions to Valero or its designated operator.

Valero will receive output voltage or power factor instructions from Fulton Control Center. Valero shall operate its Facility to maintain the specified output voltage or power factor according to Electric Rule 21 at the point of interconnection.

In the event Valero's telemetering goes down and Valero is exporting power into PG&E system the following information shall be provided:

Valero agrees to telephone a daily operating report to the Fulton Control Center at least twice each day. At a minimum, the daily operating report shall include:

- a. Hourly readings of delivered capacity in kW since the last report. Readings shall be taken at the end of each hour.
- b. Total energy, in kWh, delivered to PG&E since the last report.

Valero agrees to notify Fulton Control Center of the following:

- a. The current names and 24-hour phone numbers of the personnel responsible for operating and maintaining the Facility.
- b. Any Emergency situation, or any request that PG&E de-energize a portion of the system under its control.
- c. Any changes in the mechanical or electric condition of the Facility or substation that may affect the reliability of either the Facility or the PG&E electric system.
- d. Immediately upon discovery, any misoperation or inoperable condition of a PG&E-required interconnection relay or circuit breaker.
- e. Immediately upon discovery, any circuit breaker that has operated by a PG&E-required interconnection relay, along with the relay targets that caused the circuit breaker to operate.
- f. Plans to manually parallel or separate from the PG&E system and the times of actual manual parallels and separations. Emergency separations shall be reported as soon as conditions permit.

Under normal conditions, Valero shall give as much advance notice as possible (minimum of 7 days) to the Fulton Control Center when planning to perform work that may affect PG&E's electric system. At a minimum, the notice shall include:

- a. Nature of the work to be performed.
- b. Date and time work will begin.
- c. Date and time work will be completed.
- d. Apparatus to be cleared and the Clearance Points required.
- e. Name and telephone number of the person in charge of the work.
- f. Whether or not protective grounds will be installed.

If Valero wishes to perform work on its own facilities which would normally be energized by PG&E-controlled source(s) of energy, Valero may request that PG&E open, lock and tag PG&E's associated

disconnect device to isolate Valero's facilities from PG&E source(s) of energy. PG&E will also establish disconnect device(s) as an open Clearance Point(s) and install "Man on Line" tags (see PG&E's S-1466).

Valero agrees that any work it performs is at its own risk. Valero shall take all necessary steps to ensure that work is conducted in compliance with all applicable federal, state and local laws and regulations.

Valero must open its interconnection disconnect switch if PG&E requests a Clearance Point. A qualified PG&E employee will observe that the switch is open, then proceed to lock it open with a PG&E lock, and attach a filled-out "Man-on-Line" tag to indicate it is a Clearance Point.

In an Emergency, Valero agrees to expeditiously open the interconnection disconnect switch upon notification from the Fulton Control Center.

Valero agrees to the following conditions regarding a Non-Test requested by PG&E:

- a. Valero shall not re-energize the affected circuits, whether manually or automatically, without first receiving the approval of the Fulton Control Center.

Under normal conditions, PG&E will give advance notice (minimum of 7 days), of plans to perform work, which will affect Valero's access to the PG&E electric system. PG&E reserves the right to charge Valero the additional cost for work performed during times other than normal business hours (Non-Holidays, Monday through Friday, 8:00 A.M. to 5:00 P.M.) when the schedule of such work is negotiable, as determined by PG&E. PG&E will provide Valero with an estimate of the additional cost and if Valero still desires the work to be performed during non-normal business hours and PG&E does perform the work, PG&E shall charge Valero the actual costs of the work, the amount of which shall not exceed the cost estimate.

The following reference materials are available for use by Valero and its operating personnel. Copies were delivered to Valero on September 16, 2002, from the Fulton Control Center:

PG&E Standard Practice No. S1466 - A document listing all the standard operating orders followed by PG&E system operators.

PG&E Standard Practice No. S1403 -- A document describing approved PG&E clearance procedures and instructions for obtaining clearances.

PG&E Interconnection Handbook and Electric Rules 2, 14, and 21

Specific Operating Instructions:

- Prior to closing either or both Valero Tie Breaker 1-2 and Tie Breaker 2-3, Valero will contact Fulton Control Center to receive approval.
- Prior to manually opening Bahia circuit breakers 222 or 232, Fulton Control Center will notify Valero to open the respective high side Valero bank circuit switcher (476 or 496).
- Prior to manually closing Valero circuit switcher 476 or 496, Valero will notify Fulton Control Center to close the respective Bahia circuit breakers (222 or 232).

EXHIBIT C



ELECTRIC RULE NO. 14
SHORTAGE OF SUPPLY AND INTERRUPTION OF DELIVERY

Sheet 1

END USE CUSTOMERS AND THEIR AGENTS

PG&E will exercise reasonable diligence and care to furnish and deliver a continuous and sufficient supply of electric energy to the customer, but does not guarantee continuity or sufficiency of supply. PG&E will not be liable for interruption or shortage or insufficiency of supply, or any loss or damage of any kind of character occasioned thereby, if same is caused by inevitable accident, act of God, fire, strikes, riots, war, or any other cause except that arising from its failure to exercise reasonable diligence.

PG&E shall be the sole judge of whether it is operationally able to receive or deliver electric energy through its electric distribution system. Such judgement shall be non-discriminatory and without regard to the supplier or electric service provider to the end-use customer.

Under no circumstances shall PG&E be liable to its customers or their agents for any local or system deficiencies in supply stemming from inadequate power bids or power deliveries over the Independent System Operator (ISO) grid. Similarly, PG&E shall not be liable to any customer, or electric service provider, for damages or losses resulting from interruption due to transmission constraint, allocation of transmission or intertie capacity, or other transmission related outage, planned or unplanned. (T)

PG&E specifically maintains the right to interrupt its service deliveries, without liability to the Customers or electric service providers (ESPs) affected, when, in PG&E's sole opinion, such interruption is necessary for reasons including, but not limited to, the following:

1. Safety of a customer, a PG&E employee, or the public at large.
2. Breach of code or regulation on either PG&E-owned or customer-owned facilities.
3. Emergency affecting or likely to affect PG&E's distribution system, the ISO grid or any other system through which PG&E directly or indirectly receives power.
4. Maintenance, improvements, repairs, or expansion of PG&E's distribution system.

(Continued)

Advice Letter No: 2328-E-B
 Decision No. 02-12-045

Issued by
Karen A. Tomcala
 Vice President
 Regulatory Relations

Date Filed
 Effective
 Resolution No.

January 23, 2003
 January 1, 2003



ELECTRIC RULE NO. 14
SHORTAGE OF SUPPLY AND INTERRUPTION OF DELIVERY

Sheet 2

When PG&E deems it necessary to make repairs or improvements to its system, PG&E will have the right to suspend temporarily the delivery of electric energy. In all such cases, reasonable notice will be given to the affected Customers, or their agents, and the making of such repairs or improvements will proceed as rapidly as may be practicable. If practicable, and without additional cost to PG&E, such work will be done at a time that will cause the least inconvenience to the majority of those involved. In some instances, PG&E will be required to initiate an interruption upon order of the ISO so work may be done on the ISO transmission grid. In those instances, PG&E will make best efforts attempt to provide affected customers, or their agents, with notice, but shall not be liable for interruption if notice cannot be provided in a timely manner. PG&E will be responsible for answering all outage related inquiries by the customer and its ESP. (T)

In case of shortage of supply and during the period of such shortage, PG&E will make such apportionment of its available supply of energy among its customers, consistent with transmission allocation provided by the ISO by zone, and orders or directions provided by the California Public Utilities Commission, acting either directly or by a power administrator or other official appointed by it for that purpose. In the absence of such order or direction by the California Public Utilities Commission, PG&E will, in times of shortage, apportion its available supply of energy among all customers in the manner which it deems most fair, reasonable, and appropriate for the efficient operation of its distribution system and that of the ISO grid. (T)

A Scheduling Coordinator or an ESP may be authorized, under a commercial contract with its customers, to apportion its available supply of energy among its customers. PG&E will accept requests for and make deliveries of these apportioned supplies as long as such deliveries do not affect PG&E's ability to deliver service to other end-use Customers, regardless of supplier, that would otherwise not be affected by the shortage or apportionment thereof. (N)

(Continued)

Advice Letter No: 1737-E
 Decision No. 97-10-087

Issued by
Thomas E. Bottorff
 Vice President
 Rate Account Services

Date Filed January 29, 1998
 Effective March 10, 1998
 Resolution No.



ELECTRIC RULE NO. 14
SHORTAGE OF SUPPLY AND INTERRUPTION OF DELIVERY

Sheet 3

ELECTRIC EMERGENCY PLAN ROTATING BLOCK OUTAGES FOR TRANSMISSION LEVEL CUSTOMERS

(N)

For the purposes of this Section only, transmission level customers are those customers that are served from a "single customer substation" as defined in PG&E's Electric Rule 1 or without transformation at one of the standard transmission voltages specified in PG&E's Electric Rule 2, Section B.1.

Transmission level customers, except for those customers meeting the CPUC's criteria for essential use or those otherwise exempt from rotating outages in accordance with CPUC Decisions, will be incorporated into PG&E's rotating outage block plan and subjected to load interruptions when rotating block outages are ordered by the ISO. PG&E will, to the extent practical, follow the applicable principles and procedures specified in PG&E's Electric Rule 14, by the CPUC, and by the ISO. To the extent feasible, PG&E will coordinate rotating outages applicable to customers who are fossil fuel producers, pipeline operators and users to minimize disruption to public health and safety. PG&E shall not include a transmission level customer in an applicable rotating outage block if the customer's inclusion would jeopardize system integrity. Transmission level customers who are not exempt from rotating outages may submit an Optional Binding Mandatory Curtailment (OBMC) Plan to PG&E in accordance with PG&E's Electric Schedule OBMC. If PG&E approves a customer's OBMC Plan, the customer will become exempt from rotating outages and will be subject to the terms and conditions of PG&E's Electric Schedule OBMC and its associated agreement.

Non-exempt transmission level customers shall be required to undergo rotating outages applicable to the customer's assigned rotating outage block by either (1) implementing the load reduction on their own initiative, in accordance with subsection a, below; or (2) having PG&E implement the load reduction through PG&E-owned remote-controlled equipment in accordance with subsection b, below. A transmission level customer shall normally be subject to the provisions of subsection a. If PG&E approves a transmission level customer's request to have PG&E implement the customer's load reduction, then the customer will be subject to the provisions of subsection b, below. If a transmission level customer subject to subsection a, below, exceeds the threshold specified in subsection c below, then the customer will be subject to the provisions of subsection c.(i) or (ii), below.

(N)

(Continued)

Advice Letter No: 4643-E
 Decision No.

Issued by
Steven Malnight
 Senior Vice President
 Regulatory Affairs

Date Filed	May 21, 2015
Effective	May 21, 2015
Resolution No.	



ELECTRIC RULE NO. 14
SHORTAGE OF SUPPLY AND INTERRUPTION OF DELIVERY

Sheet 4

A. Customer-Implemented Load Reduction

(N)

Notification of Required Load Reduction. When the ISO orders implementation of rotating outages, PG&E shall notify transmission level customers in an affected rotating outage block to drop their load. Within 30 minutes of such notification, the customer must drop its load down to or below its Authorized Residual Ancillary Load. Unless otherwise notified by PG&E to do so, the customer shall not return the dropped load to service until 90 minutes after PG&E sent the notification to the customer to drop its load.

Method of Notification to Drop Load. PG&E will notify transmission level customers through a call to a telephone number designated by the customer. The customer is responsible for informing PG&E, in writing, of the telephone number and contact name for purposes of receiving the notification of a rotating outage. If the customer does not provide PG&E with a telephone number, PG&E will notify the customer in writing of the number to be utilized, which will be the official number for notification, unless the customer provides an alternate number to PG&E within 15 days of the customer's receipt of such written notice. The telephone number may be to a customer owned and maintained business telephone, cellular phone, or separately designated telephone line. If PG&E makes two attempts to notify the customer to drop load in conjunction with a rotating outage, and such attempts are unanswered, the 30 minutes notification period in which to drop the load will commence with the time of the second call, even if the call was unanswered.

Excess Energy Charges. If a transmission level customer fails to drop load within 30 minutes of notification by PG&E, and/or fails to maintain the entire load drop until 90 minutes after the time notification was sent to the customer, PG&E shall assess Excess Energy Charges of \$6 per kWh for all kWh usage in excess of the Authorized Residual Ancillary Load. Such charges will be based on the total kWh usage during the applicable rotating outage penalty period, less the product of Authorized Residual Ancillary Load in kW and the applicable rotating outage penalty period in hours. If applicable, Excess Energy Charges will be determined by PG&E following the rotating outage and applied to the customer's energy bill. Failure to make payment within the timeframe specified in PG&E's Electric Rules 8 and 9 may result in termination of service pursuant to PG&E's Electric Rule 11.

(N)

(Continued)

Advice Letter No: 4643-E
 Decision No.

Issued by
Steven Malnight
 Senior Vice President
 Regulatory Affairs

Date Filed	May 21, 2015
Effective	May 21, 2015
Resolution No.	



ELECTRIC RULE NO. 14
SHORTAGE OF SUPPLY AND INTERRUPTION OF DELIVERY

Sheet 5

A. Customer-Implemented Load Reduction (Cont'd.)

(N)

Authorized Residual Ancillary Load. Authorized Residual Ancillary Load is load that is deemed to be equivalent to five (5) percent of the customer's recorded Maximum Demand from the customer's prior billing month. This minimum load level is used as a proxy to allow for no-load transformer losses and ancillary substation equipment loads.

For customers that are net-generators, Excess Energy Charges shall not apply during periods of pre-scheduled verifiable generator maintenance or if the customer's generator suffers a verified forced outage. The scheduled maintenance must be approved in advance by both the ISO and PG&E, but approval may not be unreasonably withheld.

B. PG&E-Implemented Load Reduction

Non-exempt transmission level customers may seek, in writing, to have PG&E drop the customer's entire load during all applicable rotating outages. If PG&E agrees to such an arrangement, PG&E will implement the load drop by using one of the following methods:

1. For transmission level customers whose load can be dropped by existing PG&E remote-controlled equipment, PG&E will implement the load drop during a rotating outage applicable to the customer. The customer will be responsible for dropping load in accordance with the provisions of subsection a, above, including receiving Notification and being subject to Excess Energy charge provisions, until PG&E has provided written notice to the customer of the effective date that PG&E will assume the responsibility for curtailing the customer's load. After receiving written notice from PG&E, the customer will not receive Notification or be subject to the Excess Energy Charge provisions set forth in subsection a, above. PG&E shall be the sole judge of the suitability of utilizing existing PG&E remote-controlled equipment to shed the customer's load. PG&E or the customer may terminate the arrangements under this subsection upon thirty (30) days advance written notice.

(N)

(Continued)

Advice Letter No: 4643-E
 Decision No.

Issued by
Steven Malnight
 Senior Vice President
 Regulatory Affairs

Date Filed	May 21, 2015
Effective	May 21, 2015
Resolution No.	



ELECTRIC RULE NO. 14
SHORTAGE OF SUPPLY AND INTERRUPTION OF DELIVERY

Sheet 6

B. PG&E-Implemented Load Reduction (Cont'd.)

(N)

2. For transmission level customers whose load cannot be dropped by existing PG&E remote-controlled equipment, the customer must request the installation of such remote-controlled equipment at the customer's expense in accordance with PG&E's Electric Rule 2, Section I, Special Facilities. The customer will be responsible for dropping load in accordance with the provisions of subsection a, above, including receiving Notification and being subject to Excess Energy Charge provisions, until all of the following have been completed: 1) payment by the customer for the installation of such equipment, 2) installation and testing of such equipment is complete, and 3) PG&E has provided written notice to the customer of the effective date that PG&E will assume the responsibility for curtailing the customer's load. After the three (3) requirements listed above have been met, the customer will not receive Notification or be subject to the Excess Energy Charge provisions set forth in subsection a, above. PG&E or the customer may terminate their arrangements under this subsection upon thirty (30) days advance written notice.

C. Non-compliance

A non-exempt transmission level customer subject to subsection a, above, shall be considered non-compliant with a single rotating outage event if the customer fails to reduce its load, averaged over the applicable rotating outage penalty period, to a level equal to or less than twenty (20) percent of the customer's recorded Maximum Demand from the customer's prior billing month.

If a customer is non-compliant during any three (3) rotating outages in a three (3) year period, then the customer will be reassigned to the manual rotating outage block that is expected be curtailed next, and the customer will be expected to comply as required pursuant to subsection a, above, with subsequent applicable rotating outages. Further, such a customer must select, via written notice to PG&E, one of the two options below within fifteen (15) days after receiving written notice from PG&E. A customer failing to make a selection within the specified time frame will default to subsection c.(ii) below. The three (3) year period shall commence with the first failure to drop load as specified in this subsection.

(N)

(Continued)

Advice Letter No: 4643-E
 Decision No.

Issued by
Steven Malnight
 Senior Vice President
 Regulatory Affairs

Date Filed May 21, 2015
 Effective May 21, 2015
 Resolution No.

**ELECTRIC RULE NO. 14**

Sheet 7

SHORTAGE OF SUPPLY AND INTERRUPTION OF DELIVERY

C. Non-compliance (Cont'd.)

(N)

1. Subject to PG&E's Electric Schedule E-OBMC Optional Binding Mandatory Curtailment Plan. The customer shall become subject to PG&E's Electric Schedule OBMC. The customer shall submit an OBMC Plan, in accordance with PG&E's Electric Schedule E-OBMC, within thirty (30) days of receiving written notice from PG&E. Pending the submittal of the OBMC Plan by the customer and pending the review and acceptance of the OBMC Plan by PG&E, the customer will remain responsible for dropping load in accordance with the provisions of subsection a, above, including the receiving of Notification and being subject to Excess Energy Charge provisions. Customers subject to this subsection that in turn fail to meet one or more requirements specified in PG&E's Electric Schedule E-OBMC shall be transferred to subsection c.(ii), below.
2. PG&E Implemented Load Reductions. PG&E shall proceed with one of the following: (1) For those customers where PG&E already has load drop equipment with remote-control capability installed, PG&E will drop the customer's entire load for all applicable subsequent rotating outages in accordance with the provisions of subsection b, above, except the customer shall not have the option to terminate their obligations under subsection b. PG&E shall be the sole judge of the suitability of utilizing existing PG&E remote-controlled equipment to shed the customer's load. (2) For customers where PG&E does not have load drop equipment with remote-control capability installed, PG&E shall install such equipment at the customer's expense in accordance with PG&E's Electric Rule 2, Section I, Special Facilities. After such equipment has been installed, PG&E will drop the customer's entire load for all applicable subsequent rotating outages in accordance with the provisions of subsection b, above, except the customer shall not have the option to terminate their obligations under subsection b. Pending the installation of such equipment, the customer will remain responsible for dropping load in accordance with the provisions of subsection a, above, including receiving the Notification and being subject to Excess Energy Charge provisions.

(N)

From: caed_cmech_helpdesk@caed.uscourts.gov
To: CourtMail@caed.uscourts.dcn
Subject: Activity in Case 2:17-cv-01350-TLN-EFB Valero Refining Company California v. Pacific Gas & Electric Company Amended Complaint.
Date: Monday, September 11, 2017 3:28:10 PM

This is an automatic e-mail message generated by the CM/ECF system. Please DO NOT RESPOND to this e-mail because the mail box is unattended.

NOTE TO PUBLIC ACCESS USERS Judicial Conference of the United States policy permits attorneys of record and parties in a case (including pro se litigants) to receive one free electronic copy of all documents filed electronically, if receipt is required by law or directed by the filer. PACER access fees apply to all other users. To avoid later charges, download a copy of each document during this first viewing. However, if the referenced document is a transcript, the free copy and 30 page limit do not apply.

U.S. District Court

Eastern District of California - Live System

Notice of Electronic Filing

The following transaction was entered by Jaskowiak, Nathan on 9/11/2017 at 3:26 PM PDT and filed on 9/11/2017

Case Name: Valero Refining Company California v. Pacific Gas & Electric Company
Case Number: [2:17-cv-01350-TLN-EFB](#)
Filer: Valero Refining Company California
Document Number: [20](#)

Docket Text:

FIRST AMENDED COMPLAINT against Pacific Gas & Electric Company by Valero Refining Company California. Attorney Jaskowiak, Nathan Randall added.(Jaskowiak, Nathan)

2:17-cv-01350-TLN-EFB Notice has been electronically mailed to:

Alexander James Bukac alexander.bukac@kyl.com, maricel.schilt@kyl.com

Francisco Guerra, IV , PHV fguerra@wattsguerra.com, khays@wattsguerra.com

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Nathan Randall Jaskowiak nathan.jaskowiak@kyl.com, lori.carmichael@kyl.com, maricel.schilt@kyl.com

2:17-cv-01350-TLN-EFB Electronically filed documents must be served conventionally by the filer to:

The following document(s) are associated with this transaction:

Document description:Main Document

Original filename:n/a

Electronic document Stamp:

[STAMP dcecfStamp_ID=1064943537 [Date=9/11/2017] [FileNumber=8950468-0] [3143af392b24392b83fd3b08c6bd46bc4a2a7abbfa74f406b51b60f26135ddc41a16d021384bbd20883667411b2620d32637358889b1488e089cb5605a501d2]]

EXHIBIT 2

U.S. District Court
Eastern District of California - Live System (Sacramento)
CIVIL DOCKET FOR CASE #: 2:17-cv-01350-TLN-EFB

Valero Refining Company California v. Pacific Gas & Electric Company
Assigned to: District Judge Troy L. Nunley
Referred to: Magistrate Judge Edmund F. Brennan
Demand: \$75,000,000
Cause: 28:1332 Diversity-Contract Dispute

Date Filed: 06/30/2017
Date Terminated: 01/31/2019
Jury Demand: Both
Nature of Suit: 190 Contract: Other
Jurisdiction: Diversity

Plaintiff

Valero Refining Company California
a Delaware corporation

represented by **Francisco Guerra, IV , PHV**
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Alexander James Bukac

Law Offices of John Cox, P.C.

Case: 19-30088 Doc# 315-2 Filed: 02/05/19 Entered: 02/05/19 20:13:27 Page 46

https://ecf.caed.uscourts.gov/cgi-bin/DktRpt.pl?116212961535762-L_1_0-1 of 54

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TERMINATED: 06/19/2018

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V.

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a California corporation

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917-304-0534

Fax: 917-304-0534

Email: sarah@vote.org*TERMINATED: 05/15/2018*

Date Filed	#	Docket Text
06/30/2017	1	COMPLAINT against Pacific Gas & Electric Company by Valero Refining Company California. Attorney Cox, John added. (Filing fee \$ 400, receipt number 0972-7138524) (Attachments: # 1 Civil Cover Sheet)(Cox, John) (Entered: 06/30/2017)
06/30/2017	2	SUMMONS ISSUED as to *Pacific Gas & Electric Company* with answer to complaint due within *21* days. Attorney *John Cox* *Keesal, Young & Logan* *450 Pacific Avenue* *San Francisco, CA 94133*. (Washington, S) (Entered: 06/30/2017)
06/30/2017	3	CIVIL NEW CASE DOCUMENTS ISSUED; (Attachments: # 1 Consent Form, # 2 VDRP) (Washington, S) (Entered: 06/30/2017)
06/30/2017	4	CORPORATE DISCLOSURE STATEMENT by Plaintiff Valero Refining Company California. (Cox, John) (Entered: 06/30/2017)
07/05/2017	5	SUMMONS RETURNED EXECUTED: Pacific Gas & Electric Company served on 7/3/2017. (Jaskowiak, Nathan) (Entered: 07/05/2017)
07/24/2017	6	CORPORATE DISCLOSURE STATEMENT by Defendant Pacific Gas & Electric Company. (Edelstein, Laura) (Entered: 07/24/2017)
07/24/2017	7	STIPULATION <i>Extending Time to Respond to Complaint</i> by Pacific Gas & Electric Company. Attorney Edelstein, Laura Joy added. (Edelstein, Laura) (Entered: 07/24/2017)
08/03/2017	8	PRO HAC VICE APPLICATION and PROPOSED ORDER submitted by Valero Refining Company California for attorney Mikal C. Watts to appear Pro Hac Vice. (Filing fee \$ 225, receipt number 0972-7191218) (Cox, John) (Entered: 08/03/2017)
08/03/2017	9	PRO HAC VICE APPLICATION and PROPOSED ORDER submitted by Valero Refining Company California for attorney Mark Fassold to appear Pro Hac Vice. (Filing fee \$ 225, receipt number 0972-7191249) (Cox, John) (Entered: 08/03/2017)
08/03/2017	10	PRO HAC VICE APPLICATION and PROPOSED ORDER submitted by Valero Refining Company California for attorney Francisco Guerra IV to appear Pro Hac Vice. (Filing fee \$ 225, receipt number 0972-7191264) (Cox, John) (Entered: 08/03/2017)
08/04/2017	11	PRO HAC VICE ORDER signed by District Judge Troy L. Nunley on 8/3/2017 ADDING attorney Mikal C. Watts, PHV for Valero Refining Company California. (Washington, S) Modified on 8/7/2017 (Washington, S). (Entered: 08/04/2017)
08/04/2017	12	PRO HAC VICE ORDER signed by District Judge Troy L. Nunley on 8/3/2017 ADDING attorney Mark Fassold, PHV for Valero Refining Company California. (Washington, S) (Entered: 08/04/2017)

08/04/2017	13	PRO HAC VICE ORDER signed by District Judge Troy L. Nunley on 8/3/2017 ADDING attorney Francisco Guerra, IV, PHV for Valero Refining Company California. (Washington, S) (Entered: 08/04/2017)
08/16/2017	14	PRO HAC VICE APPLICATION and PROPOSED ORDER submitted by Pacific Gas & Electric Company for attorney Michael Dockterman to appear Pro Hac Vice. (Filing fee \$ 225, receipt number 0972-7213487) (Edelstein, Laura) (Entered: 08/16/2017)
08/16/2017	15	PRO HAC VICE ORDER adding Attorney Michael Dockterman, PHV for Pacific Gas & Electric Company, signed by District Judge Troy L. Nunley on 8/16/17. (Kastilahn, A) (Entered: 08/16/2017)
08/21/2017	16	STIPULATION and PROPOSED ORDER for Briefing Schedule for PG&E Motion to Dismiss by Pacific Gas & Electric Company. (Edelstein, Laura) (Entered: 08/21/2017)
08/21/2017	17	MOTION to DISMISS by Pacific Gas & Electric Company. Motion Hearing SET for 10/5/2017 at 02:00 PM in Courtroom 2 (TLN) before District Judge Troy L. Nunley. (Attachments: # 1 Memorandum of Points and Authorities, # 2 Proposed Order)(Edelstein, Laura) Modified on 8/23/2017 (Mena-Sanchez, L). (Entered: 08/21/2017)
08/23/2017	18	STIPULATION AND ORDER signed by District Judge Troy L. Nunley on 8/22/2017 ORDERING PG&E shall file and serve any motion to dismiss Valero's Complaint by 8/21/2017 and notice any motion to dismiss for hearing on 10/5/2017; Valero shall file and serve any opposition to any motion to dismiss the Complaint by 9/14/2017; PG&E shall file and serve any reply to Valero's opposition by 9/28/2017.(Reader, L) (Entered: 08/23/2017)
09/11/2017	19	STIPULATION re Punitive and Exemplary Damages by Valero Refining Company California. Attorney Bukac, Alexander James ADDED. (Bukac, Alexander) (Entered: 09/11/2017)
09/11/2017	20	FIRST AMENDED COMPLAINT, with Jury Demand, against Pacific Gas & Electric Company by Valero Refining Company California. Attorney Jaskowiak, Nathan Randall ADDED. (Jaskowiak, Nathan) (Entered: 09/11/2017)
09/11/2017	21	MINUTE ORDER issued by Courtroom Deputy M. Krueger for District Judge Troy L. Nunley on 9/11/2017: Pursuant to the filing of the Amended Complaint (ECF No. 20), Defendant's Motion to Dismiss (ECF No. 17) is DENIED as MOOT. Accordingly, the hearing set for 10/5/2017 is VACATED. (TEXT ONLY ENTRY) (Krueger, M) (Entered: 09/11/2017)
09/12/2017	22	STIPULATION FOR EXTENSION OF TIME to respond to the 20 First Amended Complaint by Pacific Gas & Electric Company. (Edelstein, Laura) (Entered: 09/12/2017)
09/14/2017	23	JOINT STATUS REPORT by Valero Refining Company California. (Bukac, Alexander) (Entered: 09/14/2017)
10/23/2017	24	ANSWER by Pacific Gas & Electric Company.(Edelstein, Laura) (Entered: 10/23/2017)
10/23/2017	25	DEMAND for TRIAL by JURY by Pacific Gas & Electric Company. (Edelstein, Laura) (Entered: 10/23/2017)
10/26/2017	26	PRETRIAL SCHEDULING ORDER signed by District Judge Troy L. Nunley on 10/25/2017: ORDERING Discovery due by 6/29/2018; Designation of Expert Witnesses due by 8/30/2018; supplemental list of expert witnesses due 20 days after the designation of expert witnesses; All dispositive motions, except motions for continuances, TROs or other emergency applications, shall be heard no later than 12/6/2018; A Joint Final Pretrial Conference Statement due by 3/28/2019; Final Pretrial Conference set for 4/4/2019 at

		02:00 PM in Courtroom 2 (TLN) before District Judge Troy L. Nunley; Trial briefs not later than 14 days before trial; Jury Trial set for 6/3/2019 at 09:00 AM in Courtroom 2 (TLN) before District Judge Troy L. Nunley. (Washington, S) (Entered: 10/26/2017)
11/09/2017	27	JOINT REQUEST to MODIFY 26 Pretrial Scheduling Order by Pacific Gas & Electric Company. (Edelstein, Laura) Modified on 11/13/2017 (York, M). (Entered: 11/09/2017)
11/14/2017	28	MINUTE ORDER issued by Courtroom Deputy M. Krueger for District Judge Troy L. Nunley on 11/14/2017 GRANTING the parties' Joint Request to Modify the Pretrial Scheduling Order (ECF No. 27). Accordingly, the Pretrial Scheduling Order (ECF No. 26) is hereby modified to extend the period of designating rebuttal experts from twenty (20) days to thirty (30) days after the designation of expert witnesses. (TEXT ONLY ENTRY) (Krueger, M) (Entered: 11/14/2017)
11/16/2017	29	STIPULATION and PROPOSED ORDER for Protective Order by Pacific Gas & Electric Company. (Edelstein, Laura) (Entered: 11/16/2017)
02/06/2018	30	STIPULATION and AMENDED PROPOSED PROTECTIVE ORDER by Pacific Gas & Electric Company. (Edelstein, Laura) Modified on 2/7/2018 (Benson, A.). (Entered: 02/06/2018)
02/08/2018	31	AMENDED STIPULATED PROTECTIVE ORDER signed by Magistrate Judge Edmund F. Brennan on 2/7/2018. (Becknal, R) (Entered: 02/08/2018)
05/14/2018	32	NOTICE of APPEARANCE by Michael E. Flynn-O'Brien on behalf of Pacific Gas & Electric Company. Attorney Flynn-O'Brien, Michael E. added. (Flynn-O'Brien, Michael) (Entered: 05/14/2018)
05/15/2018	33	DESIGNATION OF COUNSEL re Withdrawal of Sarah K. Jackel as Counsel by Pacific Gas & Electric Company. (Edelstein, Laura) Modified on 5/15/2018 (Benson, A.). (Entered: 05/15/2018)
05/17/2018	34	NOTICE of CHANGE of ADDRESS by John Collier Cox. (Cox, John) (Entered: 05/17/2018)
06/14/2018	35	STIPULATION and PROPOSED ORDER for amending deadlines in pretrial scheduling order re 26 Scheduling Order by Pacific Gas & Electric Company. (Flynn-O'Brien, Michael) (Entered: 06/14/2018)
06/18/2018	36	STIPULATION and ORDER signed by District Judge Troy L. Nunley on 6/14/18, ORDERING that the Pretrial Scheduling Order is AMENDED as follows: Close of Fact Discovery due by 8/24/18, Designation of Expert Witnesses due by 10/19/2018, supplemental expert disclosures due by 11/16/18, and the deadline for hearing on dispositive motions is 2/7/2019. (Kastilahn, A) (Entered: 06/18/2018)
06/19/2018	37	NOTICE of WITHDRAWAL OF COUNSEL Nathan R. Jaskowiak as Counsel for Plaintiff Valero Refining Company-California by Valero Refining Company California. (Bukac, Alexander) (Entered: 06/19/2018)
07/19/2018	38	NOTICE of CHANGE of ADDRESS by Alexander Bukac. (Cox, John) Modified on 7/19/2018 (Benson, A.). (Entered: 07/19/2018)
10/19/2018	39	MOTION to AMEND the 20 Amended Complaint by Valero Refining Company California. Motion Hearing set for 12/6/2018 at 02:00 PM in Courtroom 2 (TLN) before District Judge Troy L. Nunley. (Attachments: # 1 Points and Authorities, # 2 Declaration of John Cox, # 3 Exhibit Second Amended Complaint, # 4 Proposed Order, # 5 Proof of Service)(Cox, John) Modified on 10/22/2018 (Washington, S). (Entered: 10/19/2018)
11/21/2018	40	OPPOSITION by Pacific Gas & Electric Company to 39 Motion to Amend. (Attachments:

		# 1 Declaration of L. Edelstein in Opp. to Valero's Mot. for Leave to Amend, # 2 Exhibit A, # 3 Exhibit B, # 4 Exhibit C, # 5 Exhibit D)(Edelstein, Laura) (Entered: 11/21/2018)
11/29/2018	41	REPLY by Valero Refining Company California re 39 Motion to Amend. (Attachments: # 1 Declaration of John Cox, # 2 Exhibit A, # 3 Exhibit B, # 4 Exhibit C, # 5 Exhibit D, # 6 Exhibit E, # 7 Exhibit F)(Cox, John) Modified on 11/30/2018 (Krueger, M). (Entered: 11/29/2018)
11/30/2018	42	MINUTE ORDER issued by Relief Courtroom Deputy J. Fabillaran for District Judge Troy L. Nunley on 11/30/2018: On the Court's own motion, Plaintiff's Motion to Amend (ECF No. 39) is hereby SUBMITTED without oral argument. Accordingly, the hearing set for 12/06/2018 is VACATED. If the Court determines oral argument is necessary, it will be scheduled at a later date. (TEXT ONLY ENTRY) (Fabillaran, J) (Entered: 11/30/2018)
12/03/2018	43	OBJECTIONS by Defendant Pacific Gas & Electric Company to 41 Reply,. (Flynn-O'Brien, Michael) (Entered: 12/03/2018)
01/10/2019	44	MOTION FOR PARTIAL SUMMARY JUDGMENT by Pacific Gas & Electric Company. Motion Hearing set for 2/7/2019 at 02:00 PM in Courtroom 2 (TLN) before District Judge Troy L. Nunley. (Attachments: # 1 Memorandum of Points and Authorities, # 2 Statement of Undisputed Facts, # 3 Declaration of Laurie Edelstein, # 4 Exhibit 1, # 5 Exhibit 2, # 6 Exhibit 3, # 7 Exhibit 4, # 8 Exhibit 5, # 9 Exhibit 6, # 10 Exhibit 7, # 11 Exhibit 8, # 12 Exhibit 9, # 13 Exhibit 10, # 14 Exhibit 11, # 15 Exhibit 12, # 16 Exhibit 13, # 17 Exhibit 14, # 18 Exhibit 15)(Edelstein, Laura) Modified on 1/14/2019 (Kastilahn, A). (Entered: 01/10/2019)
01/10/2019	45	REQUEST for JUDICIAL NOTICE by Pacific Gas & Electric Company in re 44 Motion for Partial Summary Judgment. (Attachments: # 1 Exhibit 1)(Edelstein, Laura) Modified on 1/14/2019 (Kastilahn, A). (Entered: 01/10/2019)
01/18/2019	46	APPLICATION for Temporary Stay of Proceedings by Pacific Gas & Electric Company. (Attachments: # 1 Declaration of Laurie Edelstein, # 2 Proposed Order)(Edelstein, Laura) (Entered: 01/18/2019)
01/21/2019	47	OPPOSITION by Plaintiff Valero Refining Company California to 46 Application for Temporary Stay. (Bukac, Alexander) (Entered: 01/21/2019)
01/22/2019	48	NOTICE of Request to Seal Document(s) pursuant to L.R. 141 by Valero Refining Company California. (Cox, John) (Entered: 01/22/2019)
01/22/2019	49	OPPOSITION by Valero Refining Company California to 44 Motion for Summary Judgment. (Attachments: # 1 Exhibit, # 2 Declaration, # 3 Exhibit, # 4 Exhibit, # 5 Exhibit, # 6 Exhibit, # 7 Exhibit, # 8 Exhibit, # 9 Exhibit, # 10 Exhibit, # 11 Exhibit, # 12 Exhibit, # 13 Exhibit, # 14 Exhibit, # 15 Exhibit, # 16 Exhibit, # 17 Exhibit, # 18 Exhibit, # 19 Exhibit, # 20 Exhibit, # 21 Exhibit, # 22 Exhibit)(Cox, John) (Entered: 01/22/2019)
01/22/2019	50	REQUEST for JUDICIAL NOTICE by Valero Refining Company California in re 44 Motion for Summary Judgment. (Attachments: # 1 Exhibit, # 2 Exhibit)(Cox, John) (Entered: 01/22/2019)
01/28/2019	51	ORDER signed by District Judge Troy L. Nunley on 1/28/19 DENYING 46 Application for Temporary Stay. (Mena-Sanchez, L) (Entered: 01/28/2019)
01/30/2019	52	NOTICE of FILING BANKRUPTCY Upon the Record as to Pacific Gas & Electric Company by Pacific Gas & Electric Company (Edelstein, Laura) (Entered: 01/30/2019)
01/31/2019	53	MINUTE ORDER issued by Courtroom Deputy M. Krueger for District Judge Troy L. Nunley on 1/31/2019: Pursuant to the Notice of Filing Bankruptcy by Defendant Pacific Gas & Electric Company filed on 1/30/2019 (ECF No. 52), this action is hereby STAYED

and is now ADMINISTRATIVELY CLOSED. The case may be reopened at the request of the parties. (TEXT ONLY ENTRY) (Krueger, M) (Entered: 01/31/2019)

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EXHIBIT 3

Subject to Motion to File Under Seal

EXHIBIT 4

Subject to Motion to File Under Seal